



GVNW CONSULTING, INC.

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COLORADO SPRINGS, CO 80918
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www.gvnw.com

REDACTED – FOR PUBLIC INSPECTION

June 28, 2016

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 Twelfth Street S.W.
Room 5-A225
Washington, D.C. 20554

Via ECFS

**RE: FCC FORM 481 – CARRIER ANNUAL REPORTING DATA COLLECTION
CONFIDENTIAL FINANCIAL INFORMATION - SUBJECT TO PROTECTIVE
ORDER BEFORE THE FEDERAL COMMUNICATIONS COMMISSION (FILED
IN DOCKETS 14-58) AND CONFIDENTIAL FINANCIAL INFORMATION
FILED PURSUANT TO SECTIONS .457 AND .459 OF THE FEDERAL
COMMUNICATIONS COMMISSION RULES**

Dear Ms. Dortch,

Farmers Telephone Company hereby submits the attached redacted and confidential versions of its “FCC Form 481 – Carrier Annual Reporting Data Collection” financial information pursuant to sections §54.313 and §54.422 of the Commission’s rules, as filed with the Universal Service Administrative Company.

Section 3005 of Form 481 requires the filing of financial information per 47 C.F.R. §54.313(f)(2). Farmers Telephone Company maintains that this information is “Confidential Financial Information” on the grounds that it is competitively sensitive information which could be used to disadvantage or harm Farmers Telephone Company and is submitting this information pursuant to Protective Order, DA 16-296 as described below. In addition, Farmers Telephone Company is requesting confidential treatment pursuant to sections 0.457 and 0.459 of the Commission’s rules for the 2015 Service Quality Improvement Plan Progress Report that is required by section 54.313(a)(1) to be attached to this report. Similar to the financial information submitted under section 54.313(f)(2), the information contained in the 2015 Service Quality Improvement Plan Progress Report contains competitively sensitive information, including but not limited to projected build-out plans and capital expenditures, that is secure from public access that could be used by a competitor to disadvantage or harm Farmers Telephone Company.

First, Farmers Telephone Company is submitting the 54.313(f)(2) “Confidential Financial Information” as a “Stamped Confidential Document” with each page bearing the legend CONFIDENTIAL FINANCIAL INFORMATION - SUBJECT TO PROTECTIVE ORDER, BEFORE THE FEDERAL COMMUNICATIONS COMMISSION and also submitting the .457 and .459 “Confidential Financial Information” as a “Stamped Confidential Document” with each page labeled “CONFIDENTIAL FINANCIAL INFORMATION - SUBJECT TO PROTECTIVE ORDER, BEFORE THE FEDERAL COMMUNICATIONS COMMISSION”. One copy of the “Stamped Confidential Document(s)” and accompanying cover letter are enclosed.

Second, Farmers Telephone Company is submitting the “Stamped Confidential Document(s)” as a “Redacted Confidential Document” where the “Confidential Financial Information” has been redacted. One copy of the “Redacted Confidential Document(s)” and accompanying cover letter with each page labeled “REDACTED - FOR PUBLIC INSPECTION” are being filed through the Commission’s Electronic Comment Filing System (“ECFS”).

FCC Form 481 also will be filed prior to July 1st with the State Commission.

If you have any questions, please contact me at jushio@gvnw.com or 719-594-5814.

Sincerely,

/s/ Judi Ushio

Judi Ushio
Midwest Division Manager

Encl.

**FCC Form 481 - Carrier Annual Reporting
Data Collection Form**FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010> Study Area Code	462188
<015> Study Area Name	FARMERS TEL CO - CO
<020> Program Year	2017
<030> Contact Name: Person USAC should contact with questions about this data	Judi Ushio
<035> Contact Telephone Number: Number of the person identif ed in data line <030>	7195945814 ext.
<039> Contact Email Address: Email of the person identif ed in data line <030>	jushio@gvnw.com
Form Type	54.313 and 54.422

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**(100) Service Quality Improvement Reporting
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	462188
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<020>	Program Year	2017
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<039>	Contact Email Address - Email Address of person identified in data line <030>	jushio@qvnw.com

<110>	Has your company received its ETC certification from the FCC?	(yes / no)	<input type="radio"/> <input checked="" type="radio"/>
<111>	If your answer to Line <110> is yes, do you have an existing §54.202(a) "5 year plan" filed with the FCC?	(yes / no)	<input type="radio"/> <input type="radio"/>

If your answer to Line <111> is yes, please file a progress report, on line <112> delineating the status of your company's existing § 54.202(a) "5 year plan" on file with the FCC, as it relates to your provision of voice telephony service.

462188co112.pdf

<112> Attach Five-Year Service Quality Improvement Plan or, in subsequent years, your annual progress report filed pursuant to 47 C.F.R. § 54.313(a)(1). If your company is a CETC which only receives frozen support, your progress report is only required to address voice telephony service.

<113> Maps detailing progress towards meeting plan targets

<114> Report how much universal service (USF) support was received

<115>

<116>

<117>

<118> Provide an explanation of network improvement targets not met in the prior calendar year.

Yes
Yes
Yes
Yes
Yes
Not Applicable

(200) Service Outage Reporting (Voice)
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

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<039>	Contact Email Address - Email Address of person identified in data line <030>	jushio@gvnw.com

<210> For the prior calendar year, were there any reportable voice service outages? No

[illegible]

**(300) Unfulfilled Service Request
Data Collection Form**FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

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<039>	Contact Email Address - Email Address of person identified in data line <030>	jushio@gvnw.com

<300> Unfulfilled service request (voice)

0

<310> Detail on attempts (voice)

Name of Attached Document

<320> Unfulfilled service request (broadband)

0

<330> Detail on attempts (broadband)

Name of Attached Document

<010>	Study Area Code	462188
<015>	Study Area Name	FARMERS TEL CO - CO
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Judi Ushio
<035>	Contact Telephone Number - Number of person identified in data line <030>	7195945814 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	jushio@gvnw.com
<400>	Select from the drop-down list to indicate how you would like to report voice complaints (zero or greater) for voice telephony service in the prior calendar year for each service area in which you are designated an ETC for any facilities you own, operate, lease, or otherwise utilize. Offered only fixed voice	
<410>	Complaints per 1000 customers for fixed voice	0 . 0
<420>	Complaints per 1000 customers for mobile voice	
<430>	Select from the drop-down list to indicate how you would like to report end-user customer complaints (zero or greater) for broadband service in the prior calendar year for each service area in which you are designated an ETC for any facilities you own, operate, lease, or otherwise utilize. Offered only fixed broadband	
<440>	Complaints per 1000 customers for fixed broadband	0 . 0
<450>	Complaints per 1000 customers for mobile broadband	

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<039>	Contact Email Address - Email Address of person identified in data line <030>	jushio@gvnw.com
<500>	Certify compliance with applicable service quality standards and consumer protection rules	Yes
462188co510.pdf		
<510>	Descriptive document for Service Quality Standards & Consumer Protection Rules Compliance	

(600) Functionality in Emergency Situations Data Collection Form		FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<039>	Contact Email Address - Email Address of person identified in data line <030>	jushio@gvnw.com
<600>	Certify compliance regarding ability to function in emergency situations	Yes
<610>	Descriptive document for Functionality in Emergency Situations	462188co610.pdf

**(700) Price Offerings including Voice Rate Data
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	462188
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<015>	Study Area Name	FARMERS TEL CO - CO
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<020>	Program Year	2017
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<030>	Contact Name - Person USAC should contact regarding this data	Judi Ushio
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7195945814 ext.

<035> Contact Telephone Number - Number of person identified in data line <030>

<039> Contact Email Address - Email Address of person identified in data line <030> jushio@gvnw.com

<701> Residential Local Service Charge Effective Date

1/1/2016

<702> Single State-wide Residential Local Service Charge

[illegible]

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(710) Broadband Price Offerings
Data Collection Form

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010> Study Area Code	462188
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<015>	Study Area Name	FARMERS TEL CO - CO
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<020> Program Year	2017
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<030> Contact Name - Person USAC should contact regarding this data Judi Ushio

<035>	Contact Telephone Number - Number of person identified in data line <030>	7195945814 ext.
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<039>	Contact Email Address - Email Address of person identified in data line <030>	jushio@gvnw.com
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[illegible]

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**(800) Operating Companies
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

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<035>	Contact Telephone Number - Number of person identified in data line <030>	7195945814 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	jushio@gvnm.com
<810>	Reporting Carrier	Farmers Telephone Company, Inc
<811>	Holding Company	Farmers Telephone Company, Inc.
<812>	Operating Company	Farmers Telephone Company, Inc

[illegible]

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(900) Tribal Lands Reporting
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

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<039>	Contact Email Address - Email Address of person identified in data line <030>	jushio@gvnw.com

<900> Does the filing entity offer tribal land services? (Y/N) No

<910> Tribal Land(s) on which ETC Serves

<920> Tribal Government Engagement Obligation

<921>

- <922> Feasibility and sustainability planning;
- <923> Marketing services in a culturally sensitive manner;
- <924> Compliance with Rights of way processes
- <925> Compliance with Land Use permitting requirements
- <926> Compliance with Facilities Siting rules
- <927> Compliance with Environmental Review processes
- <928> Compliance with Cultural Preservation review processes
- <929> Compliance with Tribal Business and Licensing requirements.

**(1000) Voice and Broadband Service Rate Comparability
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

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<039>	Contact Email Address - Email Address of person identified in data line <030>	jushio@gvnw.com

<1000> Voice services rate comparability certification Yes

<1010> Attach detailed description for voice services rate comparability compliance 462188co1010.pdf

Name of Attached Document

<1020> Broadband comparability certification Yes - Pricing is no more than the most recent applicable benchmark announced by the Wireline Competition Bureau

<1030> Attach detailed description for broadband comparability compliance 462188co1030.pdf

Name of Attached Document

**(1100) No Terrestrial Backhaul Reporting
Data Collection Form**

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

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<039>	Contact Email Address - Email Address of person identified in data line <030>	jushio@gvnmw.com

<1100> Certify whether terrestrial backhaul options exist (Y/N)

Yes

<1130>

(1200) Terms and Condition for Lifeline Customers
Lifeline
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

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<035>	Contact Telephone Number - Number of person identified in data line <030>	7195945814 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	jushio@gvnmw.com

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

462188co1210.pdf

<1220> Link to Public Website

HTTP

<1221> Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers,



<1222> Details on the number of minutes provided as part of the plan,



<1223> Additional charges for toll calls, and rates for each such plan.



(2000) Price Cap Carrier Additional Documentation**Data Collection Form***Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers*

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

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Select the appropriate responses below (Yes, No, Not Applicable) to note compliance as a recipient of Incremental High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support as set forth in 47 CFR § 54.313(b),(c),(d),(e). The information reported on this form and in the documents attached below is accurate.

Incremental Connect America Phase I reporting

- <2010> 2nd Year Certification 47 CFR § 54.313(b)(1)(i) - Note that for the July 1 2016 certification, this applies to Round 2 recipients of Incremental Support
- <2011> 3rd Year Certification 47 CFR § 54.313(b)(1)(ii) - Note that for the July 1 2016 certification, this applies to Round 1 recipients of Incremental Support
- <2022> Recipient certifies, representing year two after filing a notice of acceptance of funding pursuant to 54.312(c), that the locations in question are not receiving support under the Broadband Initiatives Program or the Broadband Technology Opportunities Program for projects that will provide broadband with speeds of at least 4 Mbps/1Mbps - 54.313(b)(2)(i). Round 2 recipients only.
- <2023> The attachment on line 2024 includes a statement of the total amount of capital funding expended in the previous year in meeting Connect America Phase I deployment obligations, accompanied by a list of census blocks indicating where funding was spent. This covers year two - 54.313(b)(2)(ii). Round 2 recipients only.
- <2024A> Round 2 Recipient of Incremental Support?
- <2024B> Attach list of census blocks indicating where funding was spent in year two - 54.313(b)(2)(ii). Round 2 recipients only.
- <2025A> Round 1 or Round 2 Recipient of Incremental Support?
- <2025B> Attach geocoded Information for Phase I milestone reports (Round 1 for year three and Round 2 for year two) - Connect America Fund , WC Docket 10-90, Report and Order, FCC 13-
- <2015> 2016 and future Frozen Support Certification 47 CFR § 54.313(c)(4)

Name of Attached Document Listing
Required Information

Name of Attached Document Listing
Required Information

REDACTED - FOR PUBLIC INSPECTION

(2000) Price Cap Carrier Additional Documentation (Continued)**Data Collection Form***Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers*

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

Price Cap Carrier Connect America ICC Support {47 CFR § 54.313(d)}

<2016> Certification support used to build broadband

Connect America Phase II Reporting {47 CFR § 54.313(e)}

<2017A> Connect America Fund Phase II recipient?

<2017B> Attach information for Phase II - 54.313(e)(1) - list of geocoded locations already meeting the 54.309 public interest obligations at the end of calendar year 2015 and total amount of Phase II support, if any, the price

Name of Attached Document Listing
Required Information

cap carrier used for capital expenditures in 2015.

<2018> Attach the number, names, and addresses of community anchor institutions to which the carrier newly began providing access to broadband service in the preceding calendar year - 54.313(e)(2)(ii)

Name of Attached Document Listing
Required Information

<2019> Recipient certifies that it bid on category one telecommunications and Internet access services in response to all FCC Form 470 postings seeking broadband service that meets the connectivity targets for the schools and libraries universal service support program for eligible schools and libraries located within any area in a census block where the carrier is receiving Phase II model-based support, and that such bids were at rates reasonably comparable to rates charged to eligible schools and libraries in urban areas for comparable offerings - 54.313(e)(2)(v)

<2020> Recipient certifies that it offered broadband meeting the requisite public interest obligations specified in §54.309 to 40% of its supported locations in the state on December 31, 2017 - 54.313(e)(3)

<2021> Recipient certifies that it offered broadband meeting the requisite public interest obligations specified in §54.309 to 60% of its supported locations in the state on December 31, 2018 - 54.313(e)(4)

<2026> Recipient certifies that it offered broadband meeting the requisite public interest obligations specified in §54.309 to 80% of its supported locations in the state on December 31, 2019 - 54.313(e)(5)

<2027> Recipient certifies that it offered broadband meeting the requisite public interest obligations specified in §54.309 to 100% of its supported locations in the state on December 31, 2020 - 54.313(e)(6)

REDACTED - FOR PUBLIC INSPECTION

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Complete the items below to note compliance with five year service quality plan (pursuant to 47 CFR § 54.202(a)) and, for privately held carriers, ensuring compliance with the financial reporting requirements set forth in 47 CFR § 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.

Progress Report on 5 Year Plan		
(3009)	Carrier certifies to 54.313(f)(1)(iii)	
		Yes - Attach Certification
(3010A)	Milestone Certification {47 CFR § 54.313(f)(1)(i)}	
(3010B)	Please Provide Attachment	Name of Attached Document Listing Required Information
(3012A)	Community Anchor Institutions {47 CFR § 54.313(f)(1)(ii)}	No - No New Community Anchors
(3012B)	Please Provide Attachment	Name of Attached Document Listing Required Information
(3013)	Is your company a Privately Held ROR Carrier {47 CFR § 54.313(f)(2)}	(Yes/No) <input checked="" type="radio"/> <input type="radio"/>
(3014)	If yes, does your company file the RUS annual report	(Yes/No) <input checked="" type="radio"/> <input type="radio"/>
Please check these boxes to confirm that the attached PDF, on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires:		
(3015)	Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers)	<input checked="" type="checkbox"/>
(3016)	Document(s) with Balance Sheet, Income Statement and Statement of Cash Flows	<input checked="" type="checkbox"/>
(3017)	If the response is yes on line 3014, attach your company's RUS annual report and all required documentation	Name of Attached Document Listing Required Information
(3018)	If the response is no on line 3014, is your company audited?	(Yes/No) <input type="radio"/> <input type="radio"/>
If the response is yes on line 3018, please check the boxes below to confirm your submission on line 3026 pursuant to § 54.313(f)(2), contains:		
(3019)	Either a copy of their audited financial statement; or	<input type="checkbox"/>
(3020)	(2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers	<input type="checkbox"/>
(3021)	Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows	<input type="checkbox"/>
(3022)	Management letter and/or audit opinion issued by the independent certified public accountant that performed the company's financial audit.	<input type="checkbox"/>
If the response is no on line 3018, please check the boxes below to confirm your submission on line 3026 pursuant to § 54.313(f)(2), contains:		
(3022)	Copy of their financial statement which has been subject to review by an independent certified public accountant; or 2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers	<input type="checkbox"/>
(3023)	Underlying information subjected to a review by an independent certified public accountant	<input type="checkbox"/>
(3024)	Underlying information subjected to an officer certification.	<input type="checkbox"/>
(3025)	Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows	<input type="checkbox"/>
(3026)	Attach the worksheet listing required information	Name of Attached Document Listing Required Information

(3005) Rate Of Return Carrier Additional Documentation (Continued)

FCC Form 481

Data Collection Form

OMB Control No. 3060-0986/OMB Control No. 3060-0819

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<039>	Contact Email Address - Email Address of person identified in data line <030>	jushio@qvw.com

Financial Data Summary

(3027) Revenue

(3028) Operating Expenses

(3029) Net Income

(3030) Telephone Plant In Service(TPIS)

(3031) Total Assets

(3032) Total Debt

(3033) Total Equity

(3034) Dividends

<010>	Study Area Code	462188
<015>	Study Area Name	FARMERS TEL CO - CO
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4005 Rural Broadband Experiment

Authorized Rural Broadband Experiment (RBE) recipients must address the certification for public interest obligations, provide a list of newly served community anchor institutions, and provide a list of locations where broadband has been deployed.

Public Interest Obligations – FCC 14-98 (paragraphs 26-29, 78)

Please address Line 4001 regarding compliance with the Commission's public interest obligations. All RBE participants must provide a response to Line 4001.

4001. Recipient certifies that it is offering broadband to the identified locations meeting the requisite public interest obligations consistent with the category for which they were selected, including broadband speed, latency, usage capacity, and rates that are reasonably comparable to rates for comparable offerings in urban areas?

Community Anchor Institutions – FCC 14-98 (paragraph 79)

4003a. RBE participants must provide the number, names, and addresses of community anchor institutions to which they newly deployed broadband service in the preceding calendar year. On this line, please respond (yes – attach new community anchors, no – no new anchors) to indicate whether this list will be provided.

If yes to 4003A, please provide a response for 4003B.

4003b. Provide the number, names and addresses of community anchor institutions to which the recipient newly began providing access to broadband service in the preceding calendar year.

Name of Attached Document Listing Required Information

Broadband Deployment Locations – FCC 14-98 (paragraph 80)

4004a. Attach a list of geocoded locations to which broadband has been deployed as of the June 1st immediately preceding the July 1st filing deadline for the FCC Form 481.

Name of Attached Document Listing Required Information

4004b. Attach evidence demonstrating that the recipient is meeting the relevant public service obligations for the identified locations. Materials must at least detail the pricing, offered broadband speed and data usage allowances available in the relevant geographic area.

Name of Attached Document Listing Required Information

**Certification - Reporting Carrier
Data Collection Form**

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TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:

Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients	
I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.	
Name of Reporting Carrier: FARMERS TEL CO - CO	
Signature of Authorized Officer: CERTIFIED ONLINE	Date 06/28/2016
Printed name of Authorized Officer: Douglas Pace	
Title or position of Authorized Officer: General Manager	
Telephone number of Authorized Officer: 9705624211 ext.	
Study Area Code of Reporting Carrier: 462188	Filing Due Date for this form: 07/01/2016
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

**Certification - Agent / Carrier
Data Collection Form**

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<010> Study Area Code	462188
<015> Study Area Name	FARMERS TEL CO - CO
<020> Program Year	2017
<030> Contact Name - Person USAC should contact regarding this data	Judi Ushio
<035> Contact Telephone Number - Number of person identified in data line <030>	7195945814 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	jushio@gvnw.com

TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:

Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I certify that (Name of Agent) _____ is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier my responsibilities include ensuring the accuracy of the annual data reporting requirements provided to the authorized agent and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate.	
Name of Authorized Agent: _____	
Name of Reporting Carrier: _____	
Signature of Authorized Officer: _____	Date: _____
Printed name of Authorized Officer: _____	
Title or position of Authorized Officer: _____	
Telephone number of Authorized Officer: _____	
Study Area Code of Reporting Carrier: _____	Filing Due Date for this form: _____
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

TO BE COMPLETED BY THE AUTHORIZED AGENT:

Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier; I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate.	
Name of Reporting Carrier: _____	
Name of Authorized Agent Firm: _____	
Signature of Authorized Agent or Employee of Agent: _____	Date: _____
Name of Authorized Agent Employee: _____	
Title or position of Authorized Agent or Employee of Agent: _____	
Telephone number of Authorized Agent or Employee of Agent: _____	
Study Area Code of Reporting Carrier: _____	Filing Due Date for this form: _____
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

Attachments

(700) Price Offerings including Voice Rate Data Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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July 2013

<701>	Residential Local Service Charge Effective Date	1/1/2016
<702>	Single State-wide Residential Local Service Charge	

[illegible]

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(710) Broadband Price Offerings Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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July 2013

<010>	Study Area Code	462188
<015>	Study Area Name	FARMERS TEL CO - CO
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Judi Ushio
<035>	Contact Telephone Number - Number of person identified in data line <030>	7195945814 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	jushio@gvwn.com

[illegible]

(800) Operating Companies	FCC Form 481
Data Collection Form	OMB Control No. 3060-0986/OMB Control No. 3060-0819
	July 2013

OMB Control No. 3060-0986/OMB Control No. 3060-0819

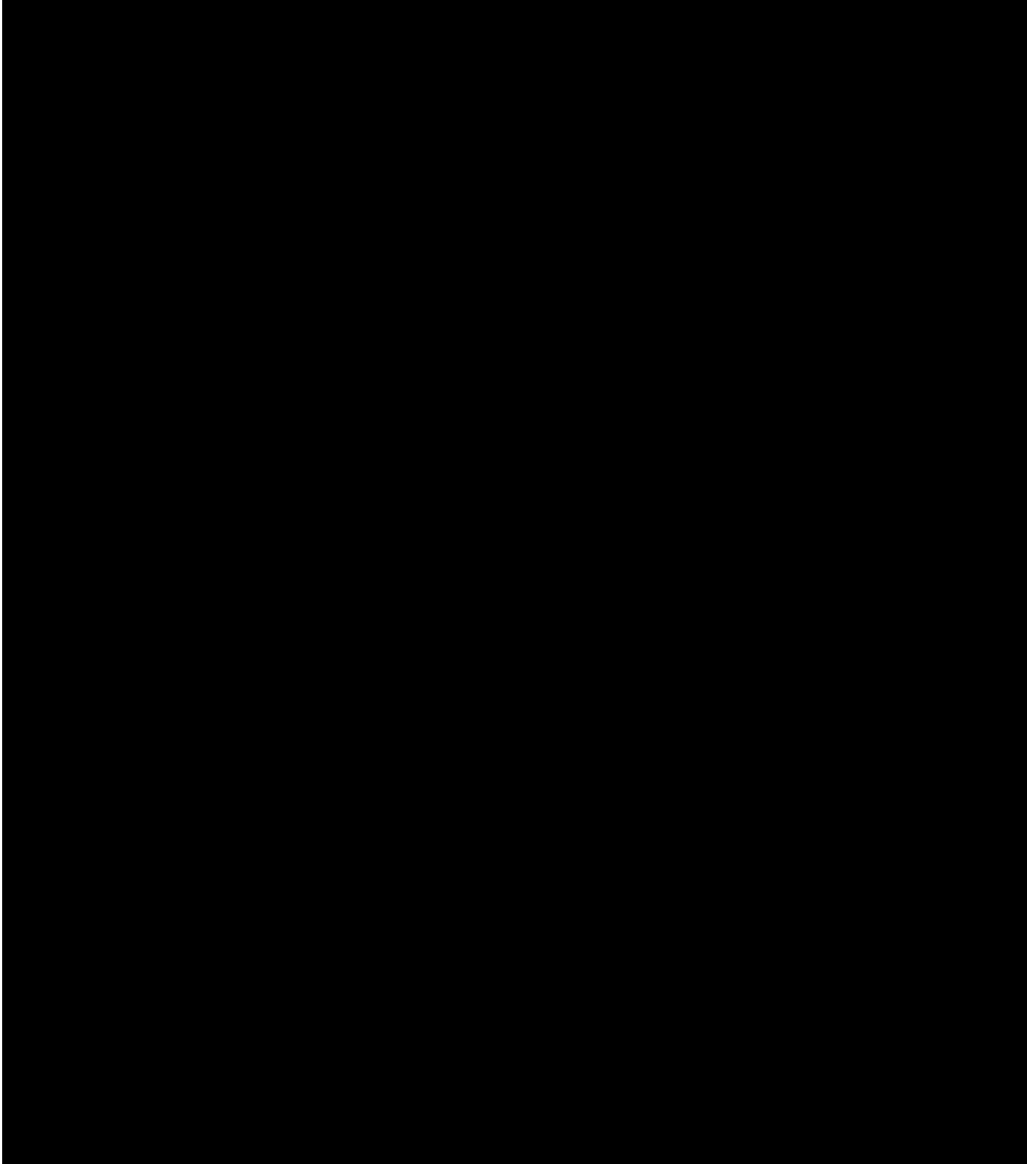
July 2013

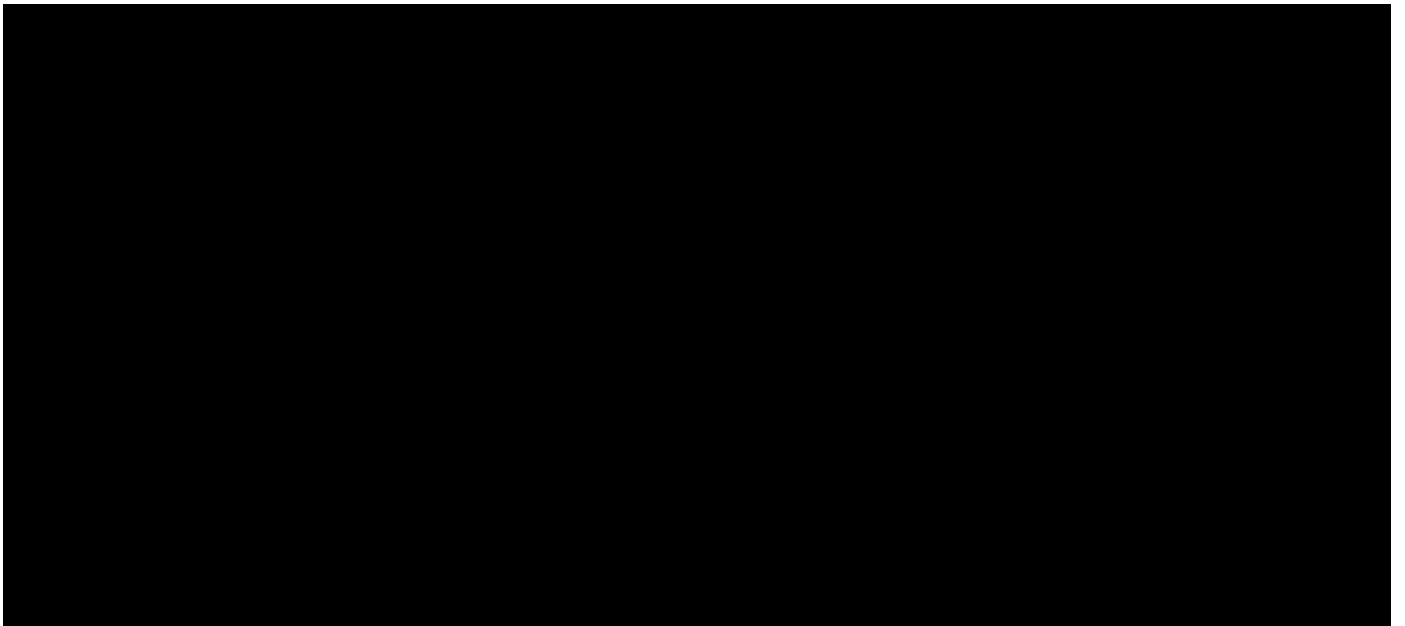
<010>	Study Area Code	462188
<015>	Study Area Name	FARMERS TEL CO - CO
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Judi Ushio
<035>	Contact Telephone Number - Number of person identified in data line <030>	7195945814 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	jushio@gvnw.com
<810>	Reporting Carrier	Farmers Telephone Company, Inc
<811>	Holding Company	Farmers Telephone Company, Inc.
<812>	Operating Company	Farmers Telephone Company, Inc

[illegible]

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2016
PROGRESS REPORT ON QUALITY IMPROVEMENT PLAN





NETWORK IMPROVEMENT PROJECTS-PROGRESS REPORT
AS OF 2016 ANNUAL REPORT SUBMISSION - July 1, 2016

WIRE CENTER NAME & CLLI	DESCRIPTION of IMPROVEMENT	PURPOSE	COST ESTIMATE	ACTUAL COST	REGULATED % ALLOCATION	AMOUNT IN USF SUPPORT AREA	% VOICE	% BROADBAND	AREA IMPACTED	POPULATION IMPACTED	TARGET COMPLETION DATE	ACTUAL COMPLETION DATE
2015												
PSVW Pleasant View												
	Phase 1 FTTH project	Service quality & capacity	\$330,000	\$330,000	100%	\$330,000	50%	50%	50 sq mi	260	9/15/2015	9/15/2015
General Expenditures												
	Miscellaneous Improvements	Service quality	\$20,000	\$20,000	100%	\$20,000	50%	50%			12/15/2015	12/15/2015
	2015 TOTAL PROJECTS		\$350,000	\$350,000								

NOTES:

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Farmers Tel Exchange
462188co112

Dolores River-Preist Gulch Area

To Rico



Legend

- ★ Central Office
- DLC
- Broadband Available Areas
- Fiber
- Study Boundary and Exchange Boundary Same
- Road
- Census Block

Farmers Telephone Company, Inc.
Five Year Service Improvement Plan
Farmers Tel Exchange



Service Quality Standards & Consumer Protection Rules Compliance:

Consumer Protection

Voice and Broadband

Farmers Telephone complies with the requirements of 47CFR Part 64 Subpart U, Customer Proprietary Network Information and the Federal Trade Commission Red Flag Rules to prevent identity threat. A manual for each of those programs is in place and is part of the employees' handbook. Employee training is conducted annually and new hires are instructed on the programs as required by their job functions.

Service Quality Standards

Voice

Farmers Telephone complies with the service standards as required by the state regulatory commission. Farmers Telephone is committed to providing the highest quality service to its customers.

Broadband

Farmers Telephone complies with the service standards as established by state regulatory commission. Farmers Telephone follows the service standards noted in NECA Tariff #5 and is committed to provide the highest quality service to its broadband customers.

Description of Functionality in Emergency Situations

Back-up Power for Both Voice and Broadband Services

Farmers prides itself on updating and maintaining all its plant and equipment to prevent outages before they happen. If outages do happen, the Company has 24-hour on call staff and alarm reporting systems in place that send notifications to the 24 hour personnel monitoring these systems. The Company certifies that it follows best practices that are designed to allow them to remain functional in an emergency situation through the use of back-up power to ensure functionality in the event of a limited commercial power failure.

Farmers Telephone utilizes battery back-up systems and standby generators in its central office and remote hut. This enables Farmers to maintain power during an outage of at least 48 hours with battery back-up and several days with propane gas. Farmers also uses its 6800 watt portable gas powered generator to support the remote cabinets in the network in the event of an extended power outage.

The Company performs exercises to test disaster preparedness on each site's back-up power systems weekly. Major transport facilities are also tested periodically to ensure failover reliability.

Ability to reroute traffic/data around damaged facilities

Farmers' affiliate, Farmers Telecommunications, Inc., turned up a redundant 10 GIG Ethernet (20 GIG total) route between Pleasant View and Cortez. This provides the ability for Farmers to reroute traffic around damaged facilities. Century Link has a Point of Presence in the Farmers Cortez office, which provides additional facilities for use during emergency situations due to damaged facilities.

Capability to manage traffic/data spikes resulting from emergency situations

Farmers' trunk routes are monitored by Central Office equipment for usage utilization and management. Farmers takes no responsibility for the capabilities of interconnected networks to manage traffic spikes resulting from emergency situations, but will continue its best efforts for its networks during such events.

462188CO1010

Voice Services Rate Comparability

As evidenced by the data provided in line 700 of this Form 481, Farmer's voice service pricing is no more than 2 standard deviations above the national average urban rate (\$47.48) as announced by the Wireline Competition Bureau on April 16, 2015 (DA 15-470)

Farmers Telephone Company Broadband Services Rate Comparability

Farmers Telephone Company Broadband Services pricing meets the FCC's broadband public interest obligations because it offers broadband service as shown on Line 710 of its Form 481 filing, at actual speeds of at least 10 Mbps downstream / 1 Mbps upstream at no more than the applicable benchmark for broadband services announced by the Bureau on April 16, 2015 (DA15-470).

FARMERS TELEPHONE COMPANY, INC.COLO PUC NO. 4

Name of Utility

7th Revised Sheet No. 64

State of Colorado

Cancels 6th Revised Sheet No. 64

Rules, Regulations or Extension Policy

4. Low-Income Telephone Assistance Program4.1 Low-Income Telephone Assistance Program

The Low-Income Telephone Assistance Program provides for a discount of the recurring monthly rate for the provision of local residential service for certain low-income customers.

The Low-Income Telephone Assistance Program discount is only available to low-income customers who meet eligibility requirements established by the Federal Communications Commission.

The Federal Communications Commission national eligibility criteria include subscribers with a household income of 135 percent of the federal poverty level or participation in one of the following programs: Supplemental Nutrition Assistance Program, Medicaid, Temporary Aid to Need Families, Supplemental Security Income, Low Income Home Energy Assistance Program, National Free Lunch or Federal Public Housing Assistance.

The monthly discount to eligible subscribers will be \$9.25 for residential service.

The Low-Income Telephone Assistance Program discount will begin with the date the company receives a valid application from the customer or when new service is established for a qualifying customer subject to the eligibility requirements set forth above. The discount will be prorated on the basis of a 30-day month from the effective date of the customer's application.

The Service Charges to change to or from this program due to eligibility status will be waived.

The discount is applicable only to the customer's principal residence line.

A low-income customer may not be disconnected from local service solely for non-payment of toll charges, but the low-income customer must continue to pay the local service rates and charges.

Advice Letter No. 85

Decision or

Authority No. C13-0357, C13-0395

Effective Date May 1, 2013

FARMERS TELEPHONE COMPANY, INC.COLO PUC NO. 4

Name of Utility

3rd Revised Sheet No. 65

State of Colorado

Cancels 2nd Revised Sheet No. 65

Rules, Regulations or Extension Policy

4. Low-Income Telephone Assistance Program (Cont'd)4.1 Low-Income Telephone Assistance Program (Cont'd)

(C)

Toll blocking, as described elsewhere in this tariff, is available at no charge to a qualifying low-income customer. Toll blocking becomes a part of a low-income customer's service, when subscribed.

Toll control, as described elsewhere in this tariff, is available at no charge to a qualifying low-income customer. Toll control becomes a part of a low-income customer's service, when subscribed.

Toll limitation, which denotes both toll blocking and toll control, is available to a qualifying low-income customer.

If a qualifying low-income customer voluntarily elects toll blocking service from the Company, where that service is available, the customer will not be required to pay a deposit, if otherwise applicable, to initiate service. If a qualifying low-income customer does not voluntarily elect toll blocking service, the Company will waive the deposit requirement for the customer unless the customer has a history of late payments to the Company. A history of late payment means failure to make payment by the due date three times in any twelve-month period.

The Company will file information with the Lifeline Administrator demonstrating that the Lifeline plan meets the criteria set forth in Title 47, C.F.R., Subpart E of Part 54, and stating the number of low-income consumers and the amount of state assistance, pursuant to Section 54.401(d) of those rules.

4.2 Rates

Rates for qualifying low-income ("Lifeline") customers are specified in Section 20.4(A) following.

Advice Letter No. 85

Decision or

Authority No. C13-0357, C13-0395

Effective Date May 1, 2013

Farmers Telephone Company Lifeline

54.313 Lifeline customers MOU and additional toll charges

Lifeline subscribers receive the same residential service as a regular subscriber, but at a reduced monthly recurring rate. Thus, lifeline subscribers have an unlimited number of local calling minutes. As for toll, lifeline subscribers, similar to every Farmers' subscriber, are free to choose their own toll usage plans through IXC's that serve Farmers.



P.O. BOX 369 • PLEASANT VIEW, CO 81331-0369
PHONE 970-562-4211 • FAX 970-562-4214

June 1, 2016

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
9300 East Hampton Drive
Capitol Heights, MD 20743

Re: WC Docket No. 14-58, 2015 Annual Report, Form 481 for High-Cost Recipient
54.313(f)(1) "Milestone Certification"

Dear Ms. Dortch:

In compliance with the filing requirements associated with, and attached to Form 481, we wish to advise the Commission that Farmers Telephone Company provides High Speed Internet service to its customers and:

- Has taken reasonable steps to provide upon reasonable request broadband service at actual speeds of 10 Mbps downstream / 1 Mbps upstream;
- Provides latency suitable for real-time applications including VoIP and usage capacity which is reasonably comparable to those in urban areas and;
- That reasonable requests for service are met within a reasonable timeframe.

If there are questions, I may be contacted at 970-562-4211.

Sincerely,

A handwritten signature in black ink, appearing to read "Timothy A. Lanier", is written over a printed name and title.

Timothy A. Lanier
President

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	<i>This data will be used by RUS to review your financial situation. Your response is required by 7 U.S.C. 901 et seq. and, subject to federal laws and regulations regarding confidential information, will be treated as confidential.</i> BORROWER NAME The Farmers Telephone Company, Inc. (Prepared with Audited Data)	
INSTRUCTIONS -Submit report to RUS within 30 days after close of the period. For detailed instructions, see RUS Bulletin 1744-2. Report in whole dollars only.	PERIOD ENDING December, 2015	BORROWER DESIGNATION C00530
CERTIFICATION We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief. ALL INSURANCE REQUIRED BY 7 CFR PART 1788, CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES. DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1788 OF 7CFR CHAPTER XVII <i>(Check one of the following)</i> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <input type="checkbox"/> All of the obligations under the RUS loan documents have been fulfilled in all material respects </div> <div style="width: 45%;"> <input type="checkbox"/> There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in the Telecom Operating Report </div> </div>		
<div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="width: 30%; border-bottom: 1px solid black;"></div> <div style="width: 30%; border-bottom: 1px solid black; text-align: center;">DATE</div> <div style="width: 30%;"></div> </div>		

PART A. BALANCE SHEET					
ASSETS	BALANCE PRIOR YEAR	BALANCE END OF PERIOD	LIABILITIES AND STOCKHOLDERS' EQUITY	BALANCE PRIOR YEAR	BALANCE END OF PERIOD
CURRENT ASSETS			CURRENT LIABILITIES		
1. Cash and Equivalents			25. Accounts Payable		
2. Cash-RUS Construction Fund			26. Notes Payable		
3. Affiliates:			27. Advance Billings and Payments	15,882	19,817
a. Telecom, Accounts Receivable			28. Customer Deposits		
b. Other Accounts Receivable			29. Current Mat. L/T Debt		
c. Notes Receivable			30. Current Mat. L/T Debt-Rur. Dev.		
4. Non-Affiliates:			31. Current Mat.-Capital Leases		
a. Telecom, Accounts Receivable			32. Income Taxes Accrued		
b. Other Accounts Receivable			33. Other Taxes Accrued		
c. Notes Receivable			34. Other Current Liabilities		
5. Interest and Dividends Receivable			35. Total Current Liabilities (25 thru 34)		
6. Material-Regulated			LONG-TERM DEBT		
7. Material-Nonregulated			36. Funded Debt-RUS Notes		
8. Prepayments			37. Funded Debt-RTB Notes		
9. Other Current Assets			38. Funded Debt-FFB Notes		
10. Total Current Assets (1 Thru 9)			39. Funded Debt-Other		
NONCURRENT ASSETS			40. Funded Debt-Rural Develop. Loan		
11. Investment in Affiliated Companies			41. Premium (Discount) on L/T Debt		
a. Rural Development			42. Reacquired Debt		
b. Nonrural Development			43. Obligations Under Capital Lease		
12. Other Investments			44. Adv. From Affiliated Companies		
a. Rural Development			45. Other Long-Term Debt		
b. Nonrural Development			46. Total Long-Term Debt (36 thru 45)		
13. Nonregulated Investments			OTHER LIAB. & DEF. CREDITS		
14. Other Noncurrent Assets			47. Other Long-Term Liabilities		
15. Deferred Charges			48. Other Deferred Credits		
16. Jurisdictional Differences			49. Other Jurisdictional Differences		
17. Total Noncurrent Assets (11 thru 16)			50. Total Other Liabilities and Deferred Credits (47 thru 49)		
PLANT, PROPERTY, AND EQUIPMENT			EQUITY		
18. Telecom, Plant-in-Service			51. Cap. Stock Outstand. & Subscribed		
19. Property Held for Future Use			52. Additional Paid-in-Capital		
20. Plant Under Construction			53. Treasury Stock		
21. Plant Adj., Nonop. Plant & Goodwill			54. Membership and Cap. Certificates		
22. Less Accumulated Depreciation			55. Other Capital		
23. Net Plant (18 thru 21 less 22)			56. Patronage Capital Credits		
24. TOTAL ASSETS (10+17+23)			57. Retained Earnings or Margins		
			58. Total Equity (51 thru 57)		
			59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)		

USDA-RUS

OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

BORROWER DESIGNATION

C00530

PERIOD ENDING

December, 2015

INSTRUCTIONS- See RUS Bulletin 1744-2

PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS

ITEM	PRIOR YEAR	THIS YEAR
1. Local Network Services Revenues		
2. Network Access Services Revenues		
3. Long Distance Network Services Revenues		
4. Carrier Billing and Collection Revenues		
5. Miscellaneous Revenues		
6. Uncollectible Revenues		
7. Net Operating Revenues (1 thru 5 less 6)		
8. Plant Specific Operations Expense		
9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)		
10. Depreciation Expense		
11. Amortization Expense		
12. Customer Operations Expense		
13. Corporate Operations Expense		
14. Total Operating Expenses (8 thru 13)		
15. Operating Income or Margins (7 less 14)		
16. Other Operating Income and Expenses		
17. State and Local Taxes		
18. Federal Income Taxes		
19. Other Taxes		
20. Total Operating Taxes (17+18+19)		
21. Net Operating Income or Margins (15+16-20)		
22. Interest on Funded Debt		
23. Interest Expense - Capital Leases		
24. Other Interest Expense		
25. Allowance for Funds Used During Construction		
26. Total Fixed Charges (22+23+24-25)		
27. Nonoperating Net Income		
28. Extraordinary Items		
29. Jurisdictional Differences		
30. Nonregulated Net Income		
31. Total Net Income or Margins (21+27+28+29+30-26)		
32. Total Taxes Based on Income		
33. Retained Earnings or Margins Beginning-of-Year		
34. Miscellaneous Credits Year-to-Date		
35. Dividends Declared (Common)		
36. Dividends Declared (Preferred)		
37. Other Debits Year-to-Date		
38. Transfers to Patronage Capital		
39. Retained Earnings or Margins End-of-Period [(31+33+34) - (35+36+37+38)]		
40. Patronage Capital Beginning-of-Year		
41. Transfers to Patronage Capital		
42. Patronage Capital Credits Retired		
43. Patronage Capital End-of-Year (40+41-42)		
44. Annual Debt Service Payments		
45. Cash Ratio [(14+20-10-11) / 7]		
46. Operating Accrual Ratio [(14+20+26) / 7]		
47. TIER [(31+26) / 26]		
48. DSCR [(31+26+10+11) / 44]		

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See Accountant's Compilation Report

USDA-RUS

OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

INSTRUCTIONS - See RUS Bulletin 1744-2

BORROWER DESIGNATION

CO0530

PERIOD ENDED

December, 2015

Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION

EXCHANGE	1. RATES		2. SUBSCRIBERS (ACCESS LINES)			3. ROUTE MILES	
	B-1 (a)	R-1 (b)	BUSINESS (a)	RESIDENTIAL (b)	TOTAL (c)	TOTAL (including fiber) (a)	FIBER (b)
Pleasant View							
MobileWireless							
Route Mileage Outside Exchange Area							
Total							
No. Exchanges							

USDA-RUS

OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

INSTRUCTIONS - See RUS Bulletin 1744-2

BORROWER DESIGNATION

CO0530

PERIOD ENDED

December, 2015

Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION

4. BROADBAND SERVICE

Details on Least Expensive Broadband Service								
EXCHANGE	No. Access Lines with BB available (a)	No Of Broadband Subscribers (b)	Number Of Subscribers (c)	Advertised Download Rate (Kbps) (d)	Advertised Upload Rate (Kbps) (e)	Price Per Month (f)	Standalone/Pckg (f)	Type Of Technology (g)
Pleasant View								
Total								

USDA-RUS

**OPERATING REPORT FOR
TELECOMMUNICATIONS BORROWERS**

BORROWER DESIGNATION

CO0530

PERIOD ENDING

December, 2015

INSTRUCTIONS- See RUS Bulletin 1744-2

PART D. SYSTEM DATA

1 No Plant Employees	2 No Other Employees	3 Square Miles Served	4 Access Lines per Square Mile	5 Subscribers per Route Mile
2	6	245	1.70	.85

PART E. TOLL DATA

1. Study Area ID Code(s)	2. Types of Toll Settlements (Check one)
a. 462188	Interstate: <input type="checkbox"/> Average Schedule <input checked="" type="checkbox"/> Cost Basis
b. _____	
c. _____	Intrastate: <input type="checkbox"/> Average Schedule <input checked="" type="checkbox"/> Cost Basis
d. _____	
e. _____	
f. _____	
g. _____	
h. _____	
i. _____	
j. _____	

PART F. FUNDS INVESTED IN PLANT DURING YEAR

1. RUS, RTB, & FFB Loan Funds Expended	
2. Other Long-Term Loan Funds Expended	
3. Funds Expended Under RUS Interim Approval	
4. Other Short-Term Loan Funds Expended	
5. General Funds Expended (Other than Interim)	
6. Salvaged Materials	
7. Contribution in Aid to Construction	
8. Gross Additions to Telecom. Plant (1 thru 7)	

PART G. INVESTMENTS IN AFFILIATED COMPANIES

INVESTMENTS	CURRENT YEAR DATA		CUMULATIVE DATA		
	Investment This Year	Income/Loss This Year	Cumulative Investment To Date	Cumulative Income/Loss To Date	Current Balance
(a)	(b)	(c)	(d)	(e)	(f)
1. Investment in Affiliated Companies - Rural Development					
2. Investment in Affiliated Companies - Nonrural Development					

OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

BORROWER DESIGNATION

C00530

PERIOD ENDING

December, 2015

PART H. CURRENT DEPRECIATION RATES

Are corporation's depreciation rates approved by the regulatory authority
with jurisdiction over the provision of telephone services? (Check one)



YES



NO

EQUIPMENT CATEGORY

DEPRECIATION RATE

1. Land and support assets - Motor Vehicles
2. Land and support assets - Aircraft
3. Land and support assets - Special purpose vehicles
4. Land and support assets - Garage and other work equipment
5. Land and support assets - Buildings
6. Land and support assets - Furniture and Office equipment
7. Land and support assets - General purpose computers
8. Central Office Switching - Digital
9. Central Office Switching - Analog & Electro-mechanical
10. Central Office Switching - Operator Systems
11. Central Office Transmission - Radio Systems
12. Central Office Transmission - Circuit equipment
13. Information origination/termination - Station apparatus
14. Information origination/termination - Customer premises wiring
15. Information origination/termination - Large private branch exchanges
16. Information origination/termination - Public telephone terminal equipment
17. Information origination/termination - Other terminal equipment
18. Cable and wire facilities - Poles
19. Cable and wire facilities - Aerial cable - Metal
20. Cable and wire facilities - Aerial cable - Fiber
21. Cable and wire facilities - Underground cable - Metal
22. Cable and wire facilities - Underground cable - Fiber
23. Cable and wire facilities - Buried cable - Metal
24. Cable and wire facilities - Buried cable - Fiber
25. Cable and wire facilities - Conduit systems
26. Cable and wire facilities - Other

USDA-RUS		BORROWER DESIGNATION	
OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS		C00530	
		PERIOD ENDED December, 2015	
INSTRUCTIONS – See help in the online application.			
PART I – STATEMENT OF CASH FLOWS			
1. Beginning Cash (Cash and Equivalents plus RUS Construction Fund)			
CASH FLOWS FROM OPERATING ACTIVITIES			
2. Net Income			
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities			
3. Add: Depreciation			
4. Add: Amortization			
5. Other (Explain)			
Changes in Operating Assets and Liabilities			
6. Decrease/(Increase) in Accounts Receivable			
7. Decrease/(Increase) in Materials and Inventory			
8. Decrease/(Increase) in Prepayments and Deferred Charges			
9. Decrease/(Increase) in Other Current Assets			
10. Increase/(Decrease) in Accounts Payable			
11. Increase/(Decrease) in Advance Billings & Payments			
12. Increase/(Decrease) in Other Current Liabilities			
13. Net Cash Provided/(Used) by Operations			
CASH FLOWS FROM FINANCING ACTIVITIES			
14. Decrease/(Increase) in Notes Receivable			
15. Increase/(Decrease) in Notes Payable			
16. Increase/(Decrease) in Customer Deposits			
17. Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)			
18. Increase/(Decrease) in Other Liabilities & Deferred Credits			
19. Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates & Other Capital			
20. Less: Payment of Dividends			
21. Less: Patronage Capital Credits Retired			
22. Other (Explain)			
23. Net Cash Provided/(Used) by Financing Activities			
CASH FLOWS FROM INVESTING ACTIVITIES			
24. Net Capital Expenditures (Property, Plant & Equipment)			
25. Other Long-Term Investments			
26. Other Noncurrent Assets & Jurisdictional Differences			
27. Other (Explain)			
28. Net Cash Provided/(Used) by Investing Activities			
29. Net Increase/(Decrease) in Cash			
30. Ending Cash			

Revision Date 2010

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See Accountant's Compilation Report

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION CO0530
INSTRUCTIONS - See RUS Bulletin 1744-2	PERIOD ENDED December, 2015
NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	
INDEPENDENT ACCOUNTANT'S COMPILATION REPORT	
To the Board of Directors	
Farmers Telephone Company	
Pleasant View, CO 81331	
<p>Management is responsible for the accompanying financial statements of Farmers Telephone Company, (a Colorado corporation), which comprise the balance sheets as of December 31, 2015, and 2014, and the related statements of income and retained earnings or margins for the years ended December 31, 2015 and 2014, and cash flows for the year ended December 31, 2015, included in the prescribed form. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements included in the accompanying prescribed form nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these findings.</p>	
Supplementary Information	
<p>The supplementary information in Parts C through H of the accompanying prescribed form are presented for the purposes of additional analysis and are required by the Rural Development Utilities Program. We have not audited or reviewed the supplementary information in Parts C through H and, accordingly, do not express an opinion or provide any assurance about whether the supplementary information in Parts C through H is in accordance with the form prescribed by the Rural Development Utilities Program.</p>	
Other Matters	
<p>These financial statements and the supplementary information are presented in accordance with the requirements of the Rural Development Utilities Program, which differ from accounting principles generally accepted in the United States of America. This report is intended solely for the information and use of the Rural Development Utilities Program, Federal Communications Commission, Universal Service Administrative Company and the relevant state and local regulatory agencies and is not intended to be and should not be used by anyone other than these specified parties.</p>	
Kiesling Associates LLP	
Colorado Springs, CO	
March 31, 2016	

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION CO0530
INSTRUCTIONS - See RUS Bulletin 1744-2	PERIOD ENDED December, 2015
CERTIFICATION LOAN DEFAULT NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	

Operating Report Checks

Borrower Name: The Farmers Telephone Company, Inc.

Year: 2015

Borrower ID: CO0530

Period: December

Part D: System Data**Type Check Key Description**

Warning	1400	Line 1. Number of Plant Employees has changed significantly (33%) from the previous year. Values and rules checked: 3 (Yr: 2014) = 2 (Yr: 2015). Tolerance percentage: 33% <i>Borrower Explanation: The total number of employees remained the same, at eight employees. Change in number of Plant Employees is do to a lay off a plant employee during 2015.</i>
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